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**EBOHOIN SONIA OLOHIGBE I.R.D**

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**AFE 202 ASSIGNMENT/CA**

**SONIA’S DIARY FARM**

**Why Start a Dairy Farming Business?**

We all take in dairy foods on a regular basis; in fact there isn’t any home that doesn’t consume dairy foods. This primarily is one of the reasons why those who have built a business around the dairy industry are making a great deal of income on a daily basis. One of the businesses that revolved around the diary trade is starting a dairy farm.

It pays that one does all that needs to be done in order to start with the right footing. As such one, one can   undertake a thorough and exhaustive research. Thereafter think towards getting a firsthand knowledge of the industry by sitting under the tutelage of someone who has a firsthand experience and d3ealing with the trade.

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**EXECUTIVE SUMMARY**

Sonia’s Dairy Farms is a dairy farm to be located in Nigeria. Specialized in the production of both processed and unprocessed dairy products to both individuals and commercial entities who are mostly players in the dairy products value chain sector, Sonia’s Dairy farms will be involved in related services that include the provision of livestock health services, plus the shearing of livestock.

Only the best will be selected to join our team of dedicated and committed workforce. These will be made up of individuals possessing the requisite qualification plus experience in the field of dairy farming.

**PRODUCTS AND SERVICES**

The products and services to be offered by Sonia’s Dairy Farms will include the production of dairy products such as cheese and yoghurt of different flavours and also the rearing of dairy cattle for our farms and for sale to other dairy farms.

Other services will include the provision of consultancy and advisory services to our clients on dairy farm related issues.

**VISION STATEMENT**

Our vision at Sonia’s Dairy Farms is to build a successful brand name through the provision of superior services tailored to the client’s satisfaction. Within our first 3 years, we have plans of expanding our operations to spread across Nigeria, with our sights set on competing favourably with other well-known dairy brands.

**MISSION STATEMENT**

Dealing in a very competing market, we intend of gaining a fair share of the market through the provision of exceptional services that will stand us out of our competition. Within the first 5 years from the commencement of business operations, we plan on entering into the top 5 dairy brands in America.

**OUR TARGET MARKET**

The market for dairy products is high and increasing. This means that almost every household consume dairy products. This will form a strategic target for our products. Also, business entities whose activities are centred on the dairy products value chain will form part of our target market.

Our dairy products will be available in both processed and unprocessed form to give our customers the choice of preference. We will be looking at exporting our dairy products to other parts of the world to increase our market share.

**COMPETITIVE ADVANTAGE**

An area of advantage we have over our competition is the quality of workforce which we will be investing heavily on.

Experts with several years of experience and the required skill will be hired to head the various arms/department of our dairy farm. This is aimed at significantly increasing productivity and enhanced penetration into the market.

Our work conditions will be such that will enhance productivity. Also, adequate attention is given to the welfare of our workforce through an attractive remuneration package that in will increase motivation.

**SOURCE OF REVENUE**

Our revenue source will come partly from the sale of all the products on offer. These will include unprocessed and processed milk. Our other sources of income will come from the advisory and consultancy services provided to other dairy farmers.

We will aim at increasing our revenue generation, which will include increased value addition, leading to increased processing of our products for both domestic consumption and for export.

**SALES PROJECTION**

We have carried out research on the potentials for growth through increased sales. Findings have shown impressive growth levels. However, among the factors used, unpredictable factors such as natural disasters and sharp negative economic growth have been discounted.

In arriving at these findings, a three year model has been adopted. The chart below summarizes the findings;

* First Year ₦176,400,00
* Second Year ₦190,800,000
* Third Year ₦284,400,00

**PAYMENT CHANNELS**

The adoption of varied payment channels is preferred to provide our clients the flexibility they need in making payment for services enjoyed. Some of the payment options used include the adoption of the POS machine, acceptance of credit cards, mobile banking, internet banking, and the acceptance of cheques.

**PUBLICITY AND ADVERT STRATEGY**

We will be adopting several publicity and advert strategies. Some of these include the placement of adverts in both print and electronic media, the building of a website that will contain all the services offered by us, and also exploiting the word of mouth marketing which will be solely driven by our satisfied clients.